

1 AN ACT

2 relating to the creation and re-creation of funds and accounts in
3 the state treasury, the allocation of revenue, the dedication and
4 rededication of revenue, and the exemption of unappropriated money
5 from use for general governmental purposes.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. DEFINITION. In any provision of this Act that
8 does not amend current law, "state agency" means an office,
9 institution, or other agency that is in the executive branch of
10 state government, has authority that is not limited to a
11 geographical portion of the state, and was created by the
12 constitution or a statute of this state. The term does not include
13 an institution of higher education as defined by Section 61.003,
14 Education Code.

15 SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS.
16 Except as otherwise specifically provided by this Act, all funds
17 and accounts created or re-created in the state treasury by an Act
18 of the 78th Legislature, Regular Session, 2003, that becomes law
19 and all dedications or rededications of revenue in the state
20 treasury or otherwise collected by a state agency for a particular
21 purpose by an Act of the 78th Legislature, Regular Session, 2003,
22 that becomes law are abolished on the later of September 1, 2003, or
23 the date the Act creating or re-creating the fund or account or
24 dedicating or rededicating revenue takes effect.

1 SECTION 3. PREVIOUSLY EXEMPT DEDICATIONS, FUNDS, AND
2 ACCOUNTS. Section 2 of this Act does not apply to:

3 (1) statutory dedications, funds, and accounts that
4 were enacted before the 78th Legislature convened to comply with
5 requirements of state, constitutional, or federal law;

6 (2) dedications, funds, or accounts that remained
7 exempt from former Section 403.094(h), Government Code, at the time
8 dedications, accounts, and funds were abolished under that
9 provision;

10 (3) increases in fees or in other revenue dedicated as
11 described by this section; or

12 (4) increases in fees or in other revenue required to
13 be deposited in a fund or account described by this section.

14 SECTION 4. SYSTEM BENEFIT FUND. (a) Section 39.903(a),
15 Utilities Code, as amended by Section 3, Chapter 1394, and Section
16 19(a), Chapter 1466, Acts of the 77th Legislature, Regular Session,
17 2001, is reenacted and amended to read as follows:

18 (a) The system benefit fund is an account in the general
19 revenue fund. Money in the account ~~[that]~~ may be appropriated only
20 for the purposes provided by this section or other law. Interest
21 earned on the system benefit fund shall be credited to the fund.
22 Section 403.095, Government Code, does not apply to the system
23 benefit fund.

24 (b) On the effective date of this Act, the system benefit
25 fund is re-created as an account in the general revenue fund, and
26 the account and the revenue deposited to the credit of the account
27 are exempt from Section 2 of this Act.

1 SECTION 5. SUBSEQUENT INJURY FUND. (a) Section
2 403.006(a), Labor Code, is amended to read as follows:

3 (a) The subsequent injury fund is an account in the general
4 revenue fund. Money in the account may be appropriated only for the
5 purposes of this section or as provided by other law. Section
6 403.095, Government Code, does not apply to the subsequent injury
7 fund [a special fund in the state treasury].

8 (b) On the effective date of this Act, the subsequent injury
9 fund is re-created as an account in the general revenue fund, and
10 the account and the revenue deposited to the credit of the account
11 are exempt from Section 2 of this Act.

12 SECTION 6. TERTIARY CARE ACCOUNT. The tertiary care
13 account is re-created by this Act. Money in the account and money
14 required by law to be put in the account is rededicated for the
15 purposes provided by Chapter 46, Health and Safety Code. The
16 account and money put in the account are exempt from Section 2 of
17 this Act.

18 SECTION 7. LICENSE PLATE FEES. Any dedication of revenue
19 that consists of fees collected from the sale of motor vehicle
20 license plates that are authorized by an Act of the 78th
21 Legislature, Regular Session, 2003, that becomes law is exempt from
22 Section 2 of this Act, and any fund or account created or re-created
23 in connection with that revenue by operation of the Act authorizing
24 the license plates is exempt from Section 2 of this Act.

25 SECTION 8. FEDERAL FUNDS. Section 2 of this Act does not
26 apply to funds created pursuant to an Act of the 78th Legislature,
27 Regular Session, 2003, for which separate accounting is required by

1 federal law, except that the funds shall be deposited in accounts in
2 the general revenue fund unless otherwise required by federal law.

3 SECTION 9. TRUST FUNDS. Section 2 of this Act does not
4 apply to trust funds or dedicated revenue deposited to trust funds
5 created under an Act of the 78th Legislature, Regular Session,
6 2003, except that the trust funds shall be held in the state
7 treasury, with the comptroller in trust, or outside the state
8 treasury with the comptroller's approval.

9 SECTION 10. BOND FUNDS. Section 2 of this Act does not
10 apply to bond funds and pledged funds created or affected by an Act
11 of the 78th Legislature, Regular Session, 2003, except that the
12 funds shall be held in the state treasury, with the comptroller in
13 trust, or outside the state treasury with the comptroller's
14 approval.

15 SECTION 11. CONSTITUTIONAL FUNDS. Section 2 of this Act
16 does not apply to funds or accounts that would be created or
17 re-created in the Texas Constitution or revenue that would be
18 dedicated or rededicated by the Texas Constitution under
19 constitutional amendments proposed by the 78th Legislature,
20 Regular Session, 2003, or to dedicated revenue deposited to funds
21 or accounts that would be so created or re-created.

22 SECTION 12. RAINY DAY FUND ACCOUNTS. Section 2 of this Act
23 does not apply to any accounts created in the economic
24 stabilization fund by H.B. No. 2, H.B. No. 3323, H.B. No. 3548, or
25 S.B. No. 1771, Acts of the 78th Legislature, Regular Session, 2003,
26 and does not apply to any related dedication of revenue, if one of
27 those bills or similar legislation becomes law.

1 SECTION 13. STATE PRESERVATION BOARD. Sections 2 and 9 of
2 this Act do not apply to the capitol trust fund, the capitol
3 account, the capital renewal account, and the museum account, as
4 created or re-created by H.B. No. 3441 or S.B. No. 1866, Acts of the
5 78th Legislature, Regular Session, 2003, if one of those bills or
6 similar legislation becomes law, and do not apply to revenue
7 dedicated to that fund or any of those accounts.

8 SECTION 14. TEXAS EMISSIONS REDUCTION. Section 2 of this
9 Act does not apply to the Texas emissions reduction plan fund and
10 does not apply to revenue dedicated to that fund by H.B. No. 1365,
11 Acts of the 78th Legislature, Regular Session, 2003, if that bill or
12 similar legislation becomes law.

13 SECTION 15. RURAL WATER ASSISTANCE. Section 2 of this Act
14 does not apply to the rural water assistance fund or the water
15 infrastructure fund created or re-created in the state treasury by
16 H.B. No. 1875 or S.B. No. 967, Acts of the 78th Legislature,
17 Regular Session, 2003, if one of those bills or similar legislation
18 becomes law, and does not apply to revenue dedicated to either fund.

19 SECTION 16. ECONOMIC DEVELOPMENT. Sections 2 and 9 of this
20 Act do not apply to any fund or account created or re-created by
21 S.B. No. 275, S.B. No. 659, or H.B. No. 1233, Acts of the 78th
22 Legislature, Regular Session, 2003, if any of those bills become
23 law, and do not apply to any revenue dedicated by any of those Acts.

24 SECTION 17. TEXAS ENTERPRISE FUND. Section 2 of this Act
25 does not apply to the Texas enterprise fund created by H.B. No. 2,
26 H.B. No. 3323, H.B. No. 3548, or S.B. No. 1771, Acts of the 78th
27 Legislature, Regular Session, 2003, and does not apply to any

1 related dedication of revenue, if one of those bills or similar
2 legislation becomes law.

3 SECTION 18. SPORTS EVENTS TRUST FUND. Sections 2 and 9 of
4 this Act do not apply to the Other Events trust fund or to revenue
5 dedicated to any of those funds, created by an Act of the 78th
6 Legislature, Regular Session, 2003, that amends Chapter 1507, Acts
7 of the 76th Legislature, Regular Session, 1999 (Article 5190.14,
8 Vernon's Texas Civil Statutes).

9 SECTION 19. PROSECUTOR SUPPLEMENT FUND. Section 2 of this
10 Act does not apply to the felony prosecutor supplement fund created
11 by H.B. No. 1940, Acts of the 78th Legislature, Regular Session,
12 2003, if that bill or similar legislation becomes law, and does not
13 apply to revenue dedicated to that fund.

14 SECTION 20. TRAVEL SERVICES CONTRACTS. The municipality
15 airline fares account in the general revenue fund created by H.B.
16 No. 1061 or S.B. No. 304, Acts of the 78th Legislature, Regular
17 Session, 2003, if either bill or similar legislation creating the
18 account becomes law, is exempt from Section 2 of this Act, and
19 Section 2 of this Act does not apply to the dedication of revenue to
20 that account made by that legislation.

21 SECTION 21. DRY CLEANING FACILITY RELEASE FUND. Section 2
22 of this Act does not apply to the dry cleaning facility release fund
23 account created by H.B. No. 1366 or S.B. No. 799 or other similar
24 legislation of the 78th Legislature, Regular Session, 2003, that
25 becomes law, and does not apply to the revenue dedicated to or
26 deposited in that account.

27 SECTION 22. HIGHWAY TAX AND REVENUE ANTICIPATION NOTE FUND.

1 The highway tax and revenue anticipation note fund created by H.B.
2 No. 471, Acts of the 78th Legislature, Regular Session, 2003, if
3 that bill or similar legislation creating the fund becomes law, is
4 exempt from Section 2 of this Act, and Section 2 of this Act does not
5 apply to the dedication of revenue to that fund made by that
6 legislation.

7 SECTION 23. OPERATING PERMIT FEES ACCOUNT. The operating
8 permit fees account created by H.B. No. 1481, Acts of the 78th
9 Legislature, Regular Session, 2003, if that bill or similar
10 legislation creating the account becomes law, is exempt from
11 Section 2 of this Act, and Section 2 of this Act does not apply to
12 the dedication of revenue to that account made by that legislation.
13 The account is created as an account in the general revenue fund.

14 SECTION 24. ELECTION IMPROVEMENT FUND. The election
15 improvement fund created as a dedicated account in the general
16 revenue fund by H.B. No. 1549, Acts of the 78th Legislature, Regular
17 Session, 2003, if that bill or similar legislation creating the
18 account becomes law, is exempt from Section 2 of this Act, and
19 Section 2 of this Act does not apply to the dedication of revenue to
20 that account made by that legislation.

21 SECTION 25. MOTOR VEHICLE INSURANCE AND PROOF OF FINANCIAL
22 RESPONSIBILITY. Any fund or account created by S.B. No. 422 or H.B.
23 No. 1809, Acts of the 78th Legislature, Regular Session, 2003, if
24 either bill or similar legislation becomes law, is exempt from
25 Section 2 of this Act, and Section 2 of this Act does not apply to
26 any dedication of revenue made by that legislation.

27 SECTION 26. FUND FOR EMERGENCY MEDICAL SERVICES, TRAUMA

1 FACILITIES, AND TRAUMA CARE SYSTEMS. The fund for emergency
2 medical services, trauma facilities, and trauma care systems
3 created as an account in the general revenue fund by S.B. No. 1131,
4 Acts of the 78th Legislature, Regular Session, 2003, if that bill or
5 similar legislation creating the account becomes law, is exempt
6 from Section 2 of this Act, and Section 2 of this Act does not apply
7 to the dedication of revenue to that account made by that
8 legislation.

9 SECTION 27. STATE PARKS ACCOUNT. Section 2 of this Act does
10 not apply to the dedication of revenue to the state parks account
11 made by S.B. No. 1158 or H.B. No. 2351 or similar legislation if
12 either of those bills or similar legislation becomes law.

13 SECTION 28. PERPETUAL CARE ACCOUNT. The perpetual care
14 account created or re-created as an account in the general revenue
15 fund by H.B. No. 1567, Acts of the 78th Legislature, Regular
16 Session, 2003, if that bill or similar legislation creating or
17 re-creating the account becomes law, is exempt from Section 2 of
18 this Act, and Section 2 of this Act does not apply to any dedication
19 or rededication of revenue to that account made by that
20 legislation.

21 SECTION 29. TEXAS B-ON-TIME ACCOUNT. The Texas B-On-Time
22 student loan account created as an account in the general revenue
23 fund by S.B. No. 4 or S.B. No. 1952, if either bill or similar
24 legislation creating the account becomes law, is exempt from
25 Section 2 of this Act, and Section 2 of this Act does not apply to
26 any dedication of revenue to that account made by that legislation.

27 SECTION 30. FAIR DEFENSE. The fair defense account,

1 created in Section 71.058, Government Code, by Section 14, Chapter
2 906, Acts of the 77th Legislature, Regular Session, 2001, is
3 re-created by this Act. Section 2 of this Act does not apply to the
4 account and does not apply to the dedication of revenue to that
5 account.

6 SECTION 31. CERTAIN EXEMPT DEDICATIONS, FUNDS, AND
7 ACCOUNTS. Funds and accounts created or re-created in the state
8 treasury by any of the following Acts of the 78th Legislature,
9 Regular Session, 2003, that become law and any dedication or
10 rededication of revenue in the state treasury or otherwise by any of
11 the following Acts of the 78th Legislature, Regular Session, 2003,
12 that become law are exempt from Section 2 of this Act:

13 (1) H.B. Nos. 462, 1989, 2019, 2292, 2926, 3126, and
14 3588; and

15 (2) S.B. Nos. 104, 280, 652, 699, and 945.

16 SECTION 32. AMENDMENT OF SECTION 403.095, GOVERNMENT CODE.
17 Effective September 1, 2003, Sections 403.095(b), (d), and (e),
18 Government Code, are amended to read as follows:

19 (b) Notwithstanding any law dedicating or setting aside
20 revenue for a particular purpose or entity, dedicated revenues
21 that, on August 31, 2005 [~~2003~~], are estimated to exceed the amount
22 appropriated by the General Appropriations Act or other laws
23 enacted by the 78th [~~77th~~] Legislature are available for general
24 governmental purposes and are considered available for the purpose
25 of certification under Section 403.121.

26 (d) Following certification of the General Appropriations
27 Act and other appropriations measures enacted by the 78th [~~77th~~]

1 Legislature, the comptroller shall reduce each dedicated account as
2 directed by the legislature by an amount that may not exceed the
3 amount by which estimated revenues and unobligated balances exceed
4 appropriations. The reductions may be made in the amounts and at
5 the times necessary for cash flow considerations to allow all the
6 dedicated accounts to maintain adequate cash balances to transact
7 routine business. The legislature may authorize, in the General
8 Appropriations Act, the temporary delay of the excess balance
9 reduction required under this subsection. This subsection does not
10 apply to revenues or balances in:

11 (1) funds outside the treasury;

12 (2) trust funds, which for purposes of this section
13 include funds that may or are required to be used in whole or in part
14 for the acquisition, development, construction, or maintenance of
15 state and local government infrastructures, recreational
16 facilities, or natural resource conservation facilities;

17 (3) funds created by the constitution or a court; or

18 (4) funds for which separate accounting is required by
19 federal law.

20 (e) This section expires on September 1, 2005 [~~2003~~].

21 SECTION 33. TRANSFER OF BALANCES. Any balances in the
22 system benefits fund, subsequent injury fund, or any other existing
23 local, trust, or dedicated fund that is re-created as an account in
24 the general revenue fund by this Act shall be transferred to the
25 appropriate general revenue account on the effective date of this
26 Act.

27 SECTION 34. EFFECT OF ACT. (a) This Act prevails over any

1 other Act of the 78th Legislature, Regular Session, 2003,
2 regardless of the relative dates of enactment, that purports to
3 create or re-create a special fund or account in the state treasury
4 or to dedicate or rededicate revenue to a particular purpose,
5 including any fund, account, or revenue dedication abolished under
6 former Section 403.094, Government Code.

7 (b) Revenues that, under the terms of another Act of the
8 78th Legislature, Regular Session, 2003, would be deposited to the
9 credit of a special account or fund shall be deposited to the credit
10 of the unobligated portion of the general revenue fund unless the
11 fund, account, or dedication is exempted under this Act.

12 SECTION 35. EFFECTIVE DATE. This Act takes effect
13 immediately if it receives a vote of two-thirds of all the members
14 elected to each house, as provided by Section 39, Article III, Texas
15 Constitution. If this Act does not receive the vote necessary for
16 immediate effect, this Act takes effect September 1, 2003.

President of the Senate

Speaker of the House

I certify that H.B. No. 3318 was passed by the House on May 10, 2003, by the following vote: Yeas 131, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3318 on May 30, 2003, by the following vote: Yeas 141, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3318 was passed by the Senate, with amendments, on May 28, 2003, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor